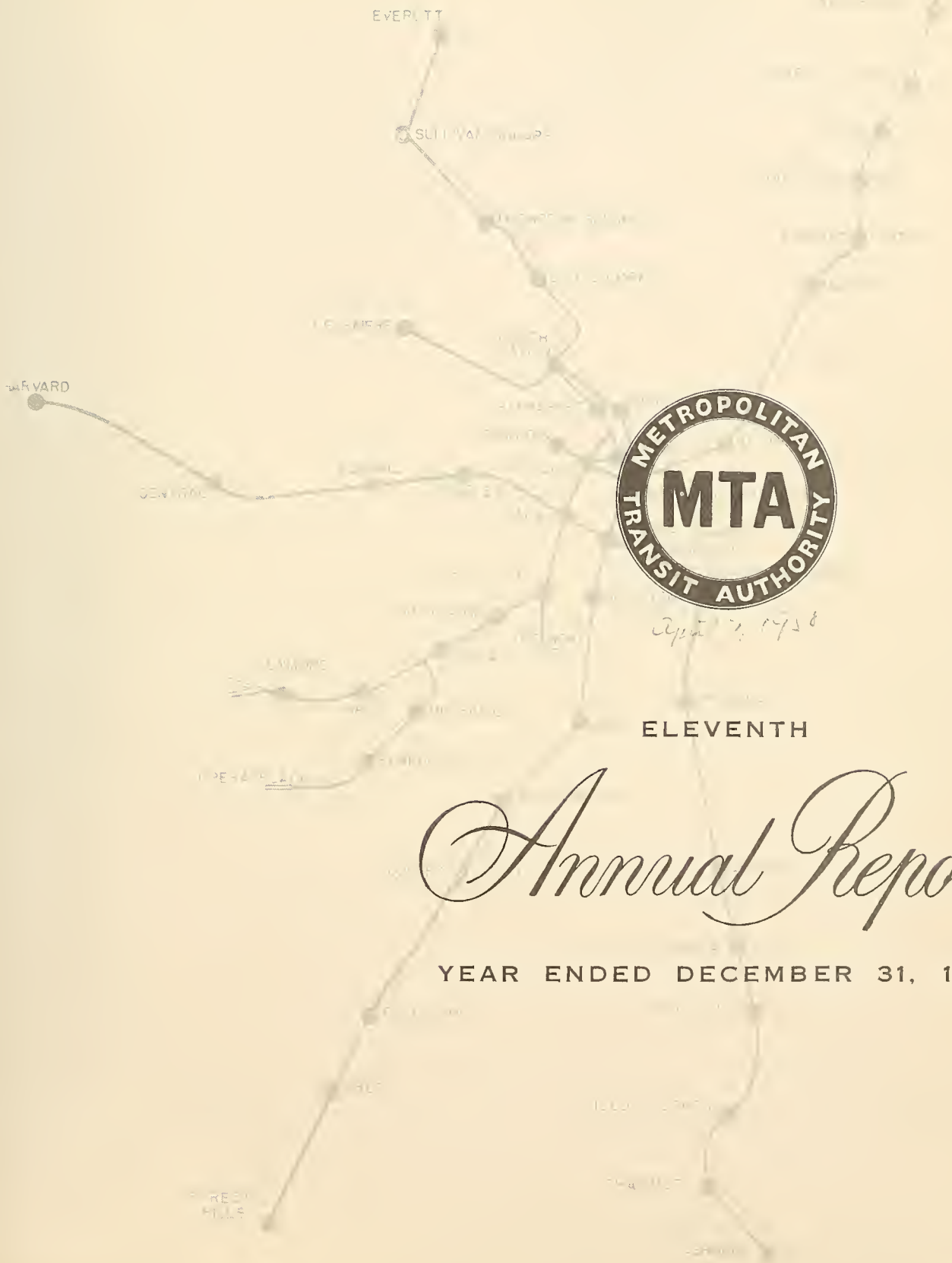


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April 7, 1958

ELEVENTH

Annual Report

YEAR ENDED DECEMBER 31, 1957

This cover map represents the rapid transit lines — a portion of the transportation system of the Metropolitan Transit Authority.

11th Annual Report

(YEAR ENDED — DECEMBER 31, 1957)

of the

BOARD of TRUSTEES

of the

Metropolitan Transit Authority

BOSTON 16, MASSACHUSETTS



Board of Trustees

ANTHONY D. POMPEO, *Chairman*

JOHN J. GRAHAM

WILLIAM V. WARD

General Officers

EDWARD DANA *General Manager*

THOMAS A. DUNBAR *Treasurer-Comptroller*

WILLIS B. DOWNEY *General Counsel*

CHARLES A. McCARRON *General Attorney*

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To His Excellency THE GOVERNOR,

To the GENERAL COURT,

and to the TRUSTEES of the BOSTON METROPOLITAN DISTRICT:

In accordance with the requirements of Chapter 544 of the Acts of 1947, as amended, the Trustees of the Metropolitan Transit Authority herewith file the eleventh annual report of the Authority, which covers the results of operations for the calendar year 1957.

SUMMARY OF REPORT

The total deficit of the Authority for 1957 amounted to \$11,414,813.97. This is an increase of \$3,090,526.24 above the deficit in the previous year.

Total income of the Authority in 1957 was \$38,373,379.77. This is a decrease of \$961,425.17 from the total income in 1956 or a 2.44% decrease. For the year ended December 31, 1957, the total income of \$38,373,379.77 failed to meet the total cost of service of \$50,701,080.37 by \$12,327,700.60. Other credits, including the elimination of the Reserve for Injuries and Damages, amounted to \$912,886.63, resulting in an assessable deficit for the year 1957 of \$11,414,813.97.

OPERATING EXPENSES

During the year 1957 operating expenses, which are the expenses incurred in the actual operation of the railway, were \$43,690,864.27 as compared with \$41,020,781.08 in 1956. This is an increase of \$2,670,083.19. The following table compares operating expenses in 1957 with those of 1956:

	Year 1957	Year 1956	Increase
Wages	\$32,103,149.37	\$30,343,434.09	\$1,759,715.28
Materials, Services, and other items	4,241,226.13	3,959,877.41	281,348.72
Injuries and Damages	1,651,012.39	1,549,454.61	101,557.78
Depreciation	1,200,000.00	1,200,000.00	—
Fuel	2,345,698.99	2,230,301.67	115,397.32
Power Interchange (Net)	421,223.43 Cr.	419,786.15 Cr.	1,437.28 Dec.
MTA Retirement Fund	1,888,908.40	1,773,219.46	115,688.94
Health and Welfare Insurance	682,092.42	384,279.99	297,812.43
TOTAL OPERATING EXPENSES	\$43,690,864.27	\$41,020,781.08	\$2,670,083.19

The preceding table indicates that six categories of cost—wages; materials, services and other items; injuries and damages; fuel; MTA retirement fund; and health and welfare insurance—have increased.

The increased costs of wages and employee benefits approximating \$2,000,000. was due primarily to an arbitration award dated May 25, 1957 involving wages and working conditions between the Authority and the Boston Carmen's Union.

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FIXED CHARGES

Under the law of the Commonwealth, as presently constituted, certain so-called fixed charges must be included as a part of the cost of service. These are composed of taxes, interest on bonds, payments on funded debt and Cambridge subway rental. The following table compares these items for 1957 and 1956.

	YEAR ENDED DECEMBER 31	
	1957	1956
Taxes	\$ 847,686.33	\$ 780,851.49
Interest on Bonds	3,622,641.17	3,538,195.42
Payment on Funded Debt—B.M.D.	2,143,000.00	2,012,000.00
Cambridge Subway Rental	384,811.68	387,676.64
Miscellaneous Items	12,076.42	14,588.04
TOTAL	\$7,010,216.10	\$6,733,311.59

TOTAL COST OF SERVICE

The total cost of service which includes operating expenses and fixed charges listed above was \$50,701,080.37 in 1957 as compared with \$47,754,092.67 in 1956. This is an increase of \$2,946,987.70.

REVENUE PASSENGERS

The increased use of the automobile is again reflected in the declining passenger load carried by the Authority. Nineteen hundred and fifty-seven saw the Authority carry 212,474,900 revenue passengers as compared with 219,286,909 in 1956. This is a drop of 3.11%. The total revenue from transportation service in 1957 amounted to \$37,125,110.31, as compared with \$38,248,274.91 in 1956. This is a reduction of \$1,123,164.60 or 2.94%.

CONCESSIONS

A constant and vigilant program of encouraging and supervising concessions leased on Authority property has resulted in an ever increasing source of revenue to the MTA. The total revenue accrued in 1957 was \$966,766.00 as compared with \$903,863.00 in 1956, an increase of \$62,903.00.

PARKING AREAS

In 1957 the use of MTA parking lots, where all-day parking for 25c plus a round-trip fare on the MTA is sold through combination tickets priced at 65c, continued to increase. The rental income derived from the lessees of the lots for the year 1957 amounted to \$81,818.79 as compared with \$69,747.22 for the year 1956. The increased use of the MTA parking areas can be measured by the fact that in 1957 cars parked at MTA lots reached a total of 654,498 as compared with 563,183 in 1956. With this in mind, it can be reasonably said that each car carried an average of two passengers which means that 1,308,996 revenue passengers entered our stations from the Authority's parking areas.

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CHANGES IN SERVICE

Changes in the Authority's transportation services during 1957 included the following:

Due to the construction of the John F. Fitzgerald Highway in the vicinity of Dewey Square, the bus line operating between the Fish Pier and Haymarket Square was divided into two lines to obtain greater regularity of service; one between the Fish Pier and the South Station, and the other between the South Station and Haymarket Square.

On the line operating between Wakefield Avenue and Truman Highway to Mattapan Square bus service was extended via Metropolitan Avenue, Summit Street and Milton Avenue.

Trackless trolley service between Belmont Street and Trapelo Road, Belmont, and Harvard Square was substituted for streetcar service which formerly ran between Common Street and Harvard Square.

In order to give the riding public the full advantages of the new large Diesel buses delivered in 1955 and 1956, bus service with these vehicles was substituted for trackless trolleys on Sundays in the Roslindale-West Roxbury and the Dorchester-Roxbury areas and on the Bennett Street-Massachusetts Station and the Salem Street-Sullivan Square (via Winter Hill) routes.

Diesel buses, when available, were operated on Saturdays, either all day or after 8:00 P.M., and on Mondays through Fridays after 8:00 P.M. on certain of the above routes.

NEW EQUIPMENT

The Authority, in 1957, acquired 50 new rapid transit cars for the Main Line Elevated. These cars were made by the Pullman-Standard Car Manufacturing Company in Worcester and were delivered in 1957 and are operating on the Everett to Forest Hills Rapid Transit line. Under legislative authorization 50 additional rapid transit cars were ordered and scheduled for delivery this Spring. These cars are both longer and wider than the old type cars which makes the carrying capacity of 4-car trains equal to the carrying capacity of an old 6-car train.

Each of the new cars is equipped with four fans which are capable of bringing into the car 12,000 cubic feet of fresh air per minute.

After the delivery of the second lot of 50 cars, all of the Main Line service, except in rush hours on weekdays, will be furnished by new cars.

MODERNIZATION PROGRAM

The Authority continued to modernize and improve the physical plant of the system.

During the past three years modernization of the lighting at the older rapid transit stations has been in progress under programs which have been approved annually by the Board of Trustees. The work consists of replacing the obsolete 36 watt fixtures and lamps with modern fixtures with a lamp capacity of 200 to 300 watts and includes the replacing of wiring and conduits and the redistribution of circuits to balance the load. These changes conform to the most recent trend in lighting design.

Of the total of 59 subway and tunnel stations, modernization had been completed at 34 and partially completed at 8 at the end of 1957. Continuance of the program in 1958 has been approved by the Board of Trustees to include the following stations: Harvard Station, Massachusetts Station, Kenmore Station, Maverick Station, Lechmere Station, Everett Station and Sullivan Square Station.

In July, 1957, the Board of Trustees approved the removal of two old-type escalators at State Street Station and the installation of one modern step-type escalator and construction of a new stairway. This work is scheduled to be completed during the Summer of 1958.

The Annual Report

SAFETY PROGRAM

Throughout its existence, the MTA has had an excellent safety record. As the Boston Elevated Railway Company, it won six national safety awards and was finally barred from further competition.

In keeping with its long standing interest in safe operation, there has been in existence since October of 1956 an extensive, intensive accident prevention program. In fact, the MTA was the first transit system in the United States to utilize the most modern methods of IBM tabulation and correlation for its safety program. The following table illustrates graphically the effectiveness of this program:

	YEAR ENDED DECEMBER 31 1957	1956	% OF DECREASE
Total Miles	40,822,489	41,553,112	1.76
Total Accidents	9,226	10,159	9.18
Total Accidents per 100.000 Passengers	4.34	4.63	6.26
Total Accidents per 100.000 Miles	22.60	24.45	7.57
Collision Accidents	3,304	3,771	12.38
Per cent of Collision Accidents			
to Total Accidents	35.8	37.1	3.50
Collision Accidents per 100.000 Miles	8.09	9.08	10.90

To provide adequate facilities for the physical examination of employees, the Board of Trustees authorized the establishment of new quarters for the clinic and employment office at Sullivan Square Terminal. The new facilities were completed and began operation during the Summer of 1957.

EXTENSION OF SERVICE

After extensive committee hearings, the Legislature, by the enactment of Chapter 450 of the Acts of 1957, which was approved on June 20, 1957, directed the Metropolitan Transit Authority to construct a rapid transit line through an extension of the Boylston Street Subway and over the Newton Highlands Branch of the Boston and Albany Railroad to a point in Newton westerly of Grove Street. Before embarking on this project, certain conditions had to be satisfied: namely, obtaining the approval, by an 85% vote, of the Metropolitan Transit Authority Advisory Board, consisting of the city manager or, if none, the mayor of each city and the chairman of the board of selectmen of each town constituting the Authority; the approval of the Department of Public Utilities of a preliminary plan together with estimates of cost of the project; and the obtaining from the Interstate Commerce Commission, by the Boston and Albany Railroad Company and The New York Central Railroad Company, of a Certificate of Abandonment of the Newton Highlands Branch and operation thereon.

The Advisory Board, on October 1, 1957, approved the extension of rapid transit service over the Newton Highlands Branch by a vote of 93.95% and the Department of Public Utilities, on December 6, 1957, approved the preliminary plan together with the estimates of cost. The two Railroads have filed a joint petition with the Interstate Commerce Commission seeking a Certificate of Abandonment of the road and the operation thereon. Hearings on this petition commenced in Boston on February 17, 1958. The cost of this project will be financed by a bond issue in an amount not in excess of \$9,200,000.00.

This rapid transit service will provide speedy, low cost transportation to a large residential area.

The Annual Report

FINANCIAL STATEMENTS

The balance sheet of the Metropolitan Transit Authority at December 31, 1957, related statement of income and cost of the service, detail of operating expenses, for the year ended December 31, 1957, together with notes relating to these financial statements are appended to this report.

Respectfully submitted,

BOARD OF TRUSTEES
METROPOLITAN TRANSIT AUTHORITY

(Signed) ANTHONY D. POMPEO, *Chairman*

" JOHN J. GRAHAM

" WILLIAM V. WARD

February 19, 1958

Financial Statements

The Annual Report

METROPOLITAN TRANSIT AUTHORITY

BALANCE SHEET — DECEMBER 31, 1957

ASSETS

FIXED ASSETS (Note A):

Road and equipment	\$115,433,905.98
Miscellaneous physical property	206,735.80
	<u>115,640,641.78</u>
Less—Reserve for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned (Note B)	48,419,070.48
	<u>67,221,571.30</u>
Subways, tunnels and other facilities:	
Acquired from the City of Boston as of August 3, 1949 in accordance with Chapter 544 of the Acts of 1947 as amended by Chapter 572 of the Acts of 1949	40,146,255.93
Constructed by Metropolitan Transit Authority since August 2, 1949	19,245,718.62
	<u>59,391,974.55</u>
Less—Amortization of subways, tunnels and other facilities reimbursed to the Authority (Paragraph (1) of Section 8A of Chapter 544 of the Acts of 1947 as amended and Section (7) of Chapter 649 of the Acts of 1949 as amended), less retirements (Note C)	5,853,677.47
	<u>53,538,297.08</u>
Total fixed assets, less reserve and amortization	<u>120,759,868.38</u>

CURRENT ASSETS:

Cash in banks and on hand (incl. \$120,226.55 deposited for payrolls)	1,803,710.75
United States Treasury Bills	2,793,221.00
Special deposits	239,051.89
Commonwealth of Massachusetts—Amounts receivable under Chapter 544 of the Acts of 1947 as amended:	
Assessable deficit—per accompanying statement of income and the cost of the service	\$11,414,813.97
Less—Amount advanced by Commonwealth of Massachusetts in accordance with Section 13A of Chapter 544 of the Acts of 1947 inserted in said Chapter 544 by Chapter 409 of the Acts of 1954 (Note D)	<u>6,000,000.00</u>
	5,414,813.97
Miscellaneous accounts and rents receivable	639,917.42
Material and supplies, at cost less reserve	2,522,819.20
Other current assets	70,294.52
Total current assets	<u>13,483,828.75</u>

OTHER ASSETS:

Special deposits available only for:	
Extension of rapid transit facilities as provided for by Chapter 692 of the Acts of 1945 as amended and to the extent of \$394,619.94 for establishing off-street parking facilities, all as provided for under Chapter 544 of the Acts of 1947 as amended	605,210.89
Extension of East Boston Rapid Transit facilities to Revere and to the extent of \$43,915.90 for studies, preliminary plans and estimates of cost for the extension of the Cambridge Subway, all as provided under Chapter 649 of the Acts of 1949 as amended and affected by Chapter 613 of the Acts of 1952	67,942.76
Purchase of revenue equipment as provided under Chapter 544 of the Acts of 1947 as amended	167,282.59
Mortgage note receivable	2,459.49
Total other assets	<u>842,895.73</u>

DEFERRED CHARGES AND UNADJUSTED DEBITS:

Prepaid expenses	245,514.00
Unadjusted debits	124,191.17
Total deferred charges and unadjusted debits	<u>369,705.17</u>

TOTAL ASSETS \$135,456,298.03

(See accompanying notes to financial statements)

The Annual Report

METROPOLITAN TRANSIT AUTHORITY

BALANCE SHEET — DECEMBER 31, 1957

LIABILITIES

FUNDED DEBT (all held by Boston Metropolitan District)— per accompanying statement (Note E):

Bond of Metropolitan Transit Authority, dated August 3, 1949 under authority of Section 7A of Chapter 544 of the Acts of 1947 as amended (less \$1,000,000 included in current liabilities below)	\$ 61,918,371.89
Rapid transit bond of Metropolitan Transit Authority, dated August 3, 1949, under authority of Section 8A of Chapter 544 of the Acts of 1947 as amended (less \$536,259.27 included in current liabilities below)	35,393,112.00
Bond of Metropolitan Transit Authority, dated November 25, 1949 under authority of Section 8A of Chapter 544 of the Acts of 1947 as amended (less \$102,000 included in current liabilities below)	6,732,000.00
Bond of Metropolitan Transit Authority, dated March 1, 1951, under authority of Section 8A of Chapter 544 of the Acts of 1947 as amended (less \$60,000 included in current liabilities below)	4,080,000.00
Bond of Metropolitan Transit Authority, dated March 1, 1951, under authority of Section 6 of Chapter 649 of the Acts of 1949 as amended (less \$13,333.33 included in current liabilities below)	893,333.34
Bond of Metropolitan Transit Authority, dated March 1, 1951, under authority of Section 6 of Chapter 649 of the Acts of 1949 as amended (less \$11,000 included in current liabilities below)	748,000.00
Bond of Metropolitan Transit Authority, dated January 15, 1952, under authority of Section 8A of Chapter 544 of the Acts of 1947 as amended (less \$22,000 included in current liabilities below)	1,518,000.00
Bond of Metropolitan Transit Authority, dated March 1, 1953, under authority of Section 8A of Chapter 544 of the Acts of 1947 as amended (less \$15,000 included in current liabilities below)	1,050,000.00
Bond of Metropolitan Transit Authority, dated March 1, 1953, under authority of Section 6 of Chapter 649 of the Acts of 1949 as amended (less \$32,000 included in current liabilities below)	2,240,000.00
Bond of Metropolitan Transit Authority, dated March 1, 1954, under authority of Section 6 of Chapter 649 of the Acts of 1949 as amended (less \$10,000 included in current liabilities below)	710,000.00
Serial Bonds of Metropolitan Transit Authority issued under authority of Section 22 of Chapter 544 of the Acts of 1947 as amended (less \$1,223,000 included in current liabilities below)	14,186,000.00
	<u>129,468,817.23</u>

CURRENT LIABILITIES:

Funded debt installments payable within one year	3,024,592.60
Accounts and wages payable	1,535,248.75
Accrued interest and rents payable	634,960.89
Accrued Federal old age benefit tax	71,468.15
Unredeemed tickets and tokens	356,702.74
Employee withholdings and other liabilities	284,673.09
Total current liabilities	<u>5,907,646.22</u>

DEFERRED AND UNADJUSTED CREDITS:

Unamortized premium on funded debt	74,066.16
Unadjusted credits	5,768.42
Total deferred and unadjusted credits	<u>79,834.58</u>

Commitments:
(Note G)

TOTAL LIABILITIES \$135,456,298.03

(See accompanying notes to financial statements)

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METROPOLITAN TRANSIT AUTHORITY

STATEMENT OF FUNDED DEBT — DECEMBER 31, 1957

(All held by the Boston Metropolitan District)

<i>Note</i>	<i>Issue Date</i>	<i>Term</i>	<i>Maturity Date</i>	<i>Rate</i>	<i>Principal Amount</i>
A	Apr. 15, 1948	10 Years	Apr. 15, 1958	1.50%	\$ 50,000.00
B	Dec. 1, 1948	15 Years	Dec. 1, 1963	1.75%	870,000.00
C	Aug. 3, 1949	Fixed	Dec. 1, 2020	(see note)	62,918,371.89
D	Aug. 3, 1949	Fixed	Nov. 20, 2024	(see note)	35,929,371.27
E	Nov. 25, 1949	30 Years	Nov. 25, 1979	2.00%	6,834,000.00
F	Dec. 1, 1949	15 Years	Dec. 1, 1964	1.50%	187,000.00
G	Mar. 1, 1951	30 Years	Mar. 1, 1981	(see note)	906,666.67
H	Mar. 1, 1951	30 Years	Mar. 1, 1981	1.50%	4,140,000.00
I	Mar. 1, 1951	30 Years	Mar. 1, 1981	1.50%	759,000.00
J	Mar. 1, 1951	10 Years	Mar. 1, 1961	1.50%	428,000.00
K	Mar. 1, 1951	20 Years	Mar. 1, 1971	1.50%	1,173,000.00
L	Mar. 1, 1951	30 Years	Mar. 1, 1981	1.50%	3,051,000.00
M	Jan. 15, 1952	30 Years	Jan. 15, 1982	2.10%	1,540,000.00
N	Jan. 15, 1952	9 Years	Jan. 15, 1961	2.10%	264,000.00
O	Mar. 1, 1953	30 Years	Mar. 1, 1983	2.75%	1,065,000.00
P	Mar. 1, 1953	30 Years	Mar. 1, 1983	2.75%	2,272,000.00
Q	Mar. 1, 1953	10 Years	Mar. 1, 1963	2.50%	336,000.00
R	Mar. 1, 1953	11 Years	Mar. 1, 1964	2.50%	105,000.00
S	Mar. 1, 1953	20 Years	Mar. 1, 1973	2.50%	1,113,000.00
T	Mar. 1, 1954	30 Years	Mar. 1, 1984	2.30%	720,000.00
U	Mar. 1, 1954	10 Years	Mar. 1, 1964	2.30%	70,000.00
V	Mar. 1, 1954	9 Years	Mar. 1, 1963	2.30%	102,000.00
W	Mar. 1, 1955	15 Years	Mar. 1, 1970	2.00%	200,000.00
X	Mar. 1, 1956	15 Years	Sept. 1, 1970	2.40%	1,690,000.00
Y	Mar. 1, 1957	15 Years	Sept. 1, 1971	3.10%	1,946,000.00
Z	Mar. 1, 1957	30 Years	Mar. 1, 1987	2.90%	3,824,000.00

TOTAL FUNDED DEBT—December 31, 1957	132,493,409.83
LESS—Payments due in 1958 in current liabilities	3,024,592.60
NET FUNDED DEBT—Payable after 1958	\$129,468,817.23

(See notes on following pages)

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NOTES ON FUNDED DEBT

- A Equipment serial bonds. Original issue \$1,000,000. payable \$50,000. semi-annually on April 15 and October 15. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- B Equipment serial bonds. Original issue \$2,175,000. payable semi-annually \$72,000. on June 1 and \$73,000. on December 1. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- C Refunding bond. Original issue \$71,418,371.89 payable \$500,000. each June 1 and December 1 and final installment of \$418,371.89 on December 1, 2020. (Issued under Section 7A, Chapter 544, Acts of 1947 as amended.)

The interest payable on this bond is the interest payable by the Boston Metropolitan District on their contra debt and refunding issues.

- D Rapid Transit Bond. Original issue \$40,219,445.43 payable in 75 installments of \$536,259.27 on each November 20. This amount is paid by the State to the Authority each November 20 and a like amount is paid by the Authority to the Boston Metropolitan District on the same date in reduction of principal. (Issued under Section 8A(c), Chapter 544, Acts of 1947 as amended.)
The equivalent of interest on this bond is provided for by the Metropolitan Transit Authority Rapid Transit note, dated August 3, 1949, wherein the Authority promises to pay to the City of Boston on behalf of the District, and in its place and stead, the actual interest on City of Boston Transit debt, less income collected on the City's transit debt sinking funds.

- E Construction bond. Original issue \$7,650,000. payable \$102,000. annually on November 21 to and including November 21, 1978 and one payment of \$4,692,000. on November 25, 1979. The \$102,000 annual amount is paid by the State to the Authority each November 20 and a like amount is paid by the Authority to the Boston Metropolitan District on each November 21 in reduction of principal. (Issued under Section 8A(j), Chapter 544, Acts of 1947 as amended.)

The interest payable on this bond is the interest payable on Boston Metropolitan District bonds issued to purchase this bond.

- F Equipment serial bonds. Original issue \$403,000. payable semi-annually \$13,000. on June 1 and \$14,000. on December 1. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)

- G Construction bond. Original issue \$1,000,000. dated April 15, 1950 paid March 1, 1951 and renewed for \$986,666.67. (Issued under Section 6, Chapter 649, Acts of 1949 as amended.) 1/75th of the principal amount is payable annually (\$13,333.33 and 34 cents every third year) on March 1 by the Authority to the Boston Metropolitan District and a like amount is paid by the State to the Authority each November 20.

The interest payable on this bond is the interest payable on Boston Metropolitan District bonds issued to purchase this bond.

- H Construction bond. Original issue \$4,500,000. payable \$60,000. annually on March 1 to and including March 1, 1980 and one payment of \$2,760,000. on March 1, 1981. The \$60,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each March 1st and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 8A(j), Chapter 544, Acts of 1947 as amended.)

- I Construction bond. Original issue \$825,000. payable \$11,000. annually on March 1 to and including March 1, 1980 and one payment of \$506,000. on March 1, 1981. The \$11,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each March 1st and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 6, Chapter 649, Acts of 1949 as amended.)

- J Equipment serial bonds. Original issue \$1,074,000. payable annually \$108,000. March 1, 1952 to 1955 inclusive, \$107,000. March 1, 1956 to 1961 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)

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NOTES ON FUNDED DEBT

- K Equipment serial bonds. Original issue \$1,673,000. payable annually, as follows:
 \$83,000. March 1, 1952 to 1955 inclusive.
 \$84,000. March 1, 1956 to 1962 inclusive.
 \$83,000. March 1, 1963, March 1, 1966, March 1, 1969.
 \$84,000. March 1, 1964, 1965, 1967, 1968, 1970 and 1971.
 (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- L Equipment serial bonds. Original issue \$3,817,000. payable annually, as follows:
 \$128,000. March 1, 1952 to 1955 inclusive.
 \$127,000. March 1, 1956 to 1962 inclusive.
 \$128,000. March 1, 1963, 1966, 1969.
 \$127,000. March 1, 1964, 1965, 1967, 1968.
 \$127,000. March 1, 1970 to 1981 inclusive.
 (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- M Construction Bond. Original issue \$1,650,000. payable \$22,000. annually on January 15, to and including January 15, 1981 and one payment of \$1,012,000. on January 15, 1982. The \$22,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each January 15th and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 8A(j), Chapter 544, Acts of 1947 as amended.)
- N Equipment serial bonds. Original issue \$592,000. payable annually \$65,000. January 15, 1953 and 1954, and \$66,000. January 15, 1955 to 1961 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- O Construction bond. Original issue \$1,125,000. payable \$15,000. annually on March 1 to and including March 1, 1982 and one payment of \$690,000. on March 1, 1983. The \$15,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each March 1 and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 8A(j), Chapter 544, Acts of 1947 as amended.)
- P Construction bond. Original issue \$2,400,000. payable \$32,000. annually on March 1 to and including March 1, 1982 and one payment of \$1,472,000. on March 1, 1983. The \$32,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each March 1 and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 6, Chapter 649, Acts of 1949 as amended.)
- Q Equipment serial bonds. Original issue \$562,000. payable annually \$58,000. March 1, 1954, \$56,000. March 1, 1955 to 1963 incl. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- R Equipment serial bonds. Original issue \$166,000. payable annually \$16,000. March 1, 1954, \$15,000. March 1, 1955 to 1964 incl. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- S Equipment serial bonds. Original issue \$1,545,000. payable annually \$108,000. March 1, 1954 to 1958, \$102,000. March 1, 1959 to 1961, \$97,000. March 1, 1962 to 1964, \$46,000. March 1, 1965 to 1967, \$45,000. March 1, 1968 to 1973 incl. (Issued under Section 22, Chapter 544, Acts of 1947 as amended. For capital additions or improvements to passenger-carrying rolling stock.)
- T Construction bond. Original issue \$750,000. payable \$10,000. annually on March 1 to and including March 1, 1984 and one payment of \$450,000. on March 1, 1984. The \$10,000. annual principal payment is made by the Authority to the Boston Metropolitan District on each March 1 and a like amount is paid by the State to the Authority on each November 20. (Issued under Section 6, Chapter 649, Acts of 1949 as amended.)
- U Equipment serial bonds. Original issue \$98,000. payable annually \$8,000. March 1, 1955, \$10,000. March 1, 1956 to 1964 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)

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NOTES ON FUNDED DEBT

- V Equipment serial bonds. Original issue \$156,000. payable annually \$20,000. March 1, 1955, \$17,000. March 1, 1956 to 1963 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended).
- W Equipment serial bonds. Original issue \$231,000. payable annually \$16,000. March 1, 1956-59-62-65-68-70; \$15,000. March 1, 1957-58-60-61-63-64-66-67-69. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- X Equipment serial bonds. Original issue \$1,954,000. payable annually \$134,000. September 1, 1956, \$130,000. September 1, 1957 to 1970 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- Y Equipment serial bonds. Original issue \$2,082,000. payable annually \$136,000. September 1, 1957, \$139,000. September 1, 1958 to 1971 inclusive. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- Z Equipment serial bonds. Original issue \$3,824,000. payable annually \$127,000. March 1, 1958-59-61-63-65-67-69-71-73-75-77-79-81-83-85-87; \$128,000. March 1, 1960-62-64-66-68-70-72-74-76-78-80-82-84-86. (Issued under Section 22, Chapter 544, Acts of 1947 as amended.)
- A-B-F-J-K-L-N-Q-R-S-U-V-W-X-Y-Z Equipment serial bonds
- C Authority vs. District refinancing August 3, 1949
- D Subway purchase August 3, 1949 (City of Boston)
- E East Boston Rapid Transit, Subway Alterations and Off-Street parking facilities
- G Tremont Subway addition (Park St. to Scollay Square—preliminary plans) and Alterations
- H-M East Boston Rapid Transit
- I Washington Tunnel Extensions (preliminary plans) and Alterations
- O East Boston Rapid Transit, Off-Street Parking Facilities
- P E.B.R.T. Extension to Revere and Cambridge Subway Extension (preliminary plans)
- T E.B.R.T. Extension to Revere

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METROPOLITAN TRANSIT AUTHORITY

STATEMENT OF INCOME AND THE COST OF THE SERVICE

YEAR ENDED DECEMBER 31, 1957

INCOME:

Revenue from transportation	\$37,125,110.31	
Revenue from other operations	997,603.70	
Total operating revenue	38,122,714.01	
Non-operating income	250,665.76	
Total income		\$38,373,379.77

OPERATING EXPENSES:

Way and structures:		
Salaries and wages	\$ 3,689,738.47	
Other	1,364,858.24	5,054,596.71
Equipment:		
Salaries and wages	2,454,284.94	
Other	1,658,792.26	4,113,077.20
Power:		
Salaries and wages	1,118,480.64	
Other	2,203,856.77	3,322,337.41
Conducting transportation:		
Salaries and wages	22,529,420.54	
Other	691,721.57	23,221,142.11
Traffic:		
Salaries and wages	74.18	
Other	86,068.65	86,142.83
General:		
Salaries and wages	2,311,150.60	
M.T.A. retirement fund	1,888,908.40	
Other	3,693,509.01	7,893,568.01
Total operating expenses (including allowance of \$1,200,000.00 for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned—Note B)		43,690,864.27
Loss before other deductions		5,317,484.50

OTHER DEDUCTIONS:

Taxes assignable to transportation operations	847,686.83	
Interest on funded debt (Note E)	3,622,641.17	
Payment on funded debt—B.M.D. (Note E)	2,143,000.00	
Cambridge subway rental	384,811.68	
Other deductions	12,076.42	
Total other deductions		7,010,216.10
Loss resulting from operations		12,327,700.60

PROFIT AND LOSS ITEMS:

Elimination of reserve for injuries and damages (Note F)	780,886.63	
Dividend on compensation insurance	100,000.00	
Adjustment of outstanding ticket liability	32,000.00	912,886.63
Loss for the Year (excess of the cost of the service over income)		\$11,414,813.97

(See accompanying notes to financial statements)

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METROPOLITAN TRANSIT AUTHORITY

OPERATING EXPENSES

YEAR ENDED DECEMBER 31, 1957

WAY AND STRUCTURES:

Superintendence	\$ 523,121.75
Maintenance of roadway and track	1,454,431.01
Removal of snow and ice	133,895.59
Tunnels and subways	98,247.06
Elevated structures and foundations	203,818.38
Bridges, trestles and culverts	24,623.96
Crossings, fences and signs	50,776.64
Signals and interlockers	100,804.80
Communication systems	22,361.40
Miscellaneous way expenses	326,864.12
Maintenance of electric line equipment	519,127.49
Maintenance of buildings, fixtures and grounds	957,653.07
Depreciation of way and structures	600,000.00
Dismantling retired way and structures	38,871.44
Total way and structures	<u>5,054,596.71</u>

EQUIPMENT:

Superintendence	218,052.78
Maintenance of revenue equipment	2,169,435.20
Maintenance of service equipment	18,842.77
Electric equipment of cars and trackless trolleys	526,050.17
Shop equipment	110,572.41
Shop expenses	761,203.66
Maintenance of automotive and miscellaneous equipment	80,864.11
Depreciation of equipment	228,000.00
Dismantling retired equipment	56.10
Total equipment	<u>4,113,077.20</u>

POWER:

Superintendence	167,400.31
Maintenance of power plants	363,884.59
Depreciation of power plants	372,000.00
Other power plant operating expenses	1,996,787.39
Gasoline and fuel oil for buses	422,265.12
Total power	<u>3,322,337.41</u>

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METROPOLITAN TRANSIT AUTHORITY

OPERATING EXPENSES — Continued

YEAR ENDED DECEMBER 31, 1957

CONDUCTING TRANSPORTATION:

Superintendence	\$ 3,502,717.99
Passenger car, trainmen and bus operators	12,602,396.44
Miscellaneous car and bus service employees	424,846.60
Miscellaneous car and bus service expenses	145,868.35
Station employees	2,391,143.25
Station expenses	644,394.21
Car house and bus garage employees	2,239,652.75
Car house and bus garage expenses	260,431.93
Operation of signal and interlocking apparatus	552,657.07
Operation of communication systems	24,918.52
Other transportation expenses	432,115.00
Total conducting transportation	<u>23,221,142.11</u>

TRAFFIC (promotion and advertising)	<u>86,142.83</u>
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GENERAL (administrative and other general operating expenses):

Salaries and expenses of general officers	97,245.62
Salaries and expenses of general office clerks	1,215,084.88
General office supplies and expenses	248,408.22
Law expenses	89,829.85
Pensions, retirement fund, gratuities, group health and accident, surgical, life and hospitalization insurance	2,688,825.00
Miscellaneous general expenses	210,331.75
Injuries and damages and expenses relating thereto	2,051,069.72
Insurance	592,900.53
Stationery and printing	146,135.55
Store expenses	399,658.81
Service garage expenses and supplies	154,078.08
Total general	<u>7,893,568.01</u>
TOTAL OPERATING EXPENSES	<u><u>\$43,690,864.27</u></u>

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METROPOLITAN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE A—FIXED ASSETS

The fixed assets acquired from Boston Elevated Railway Company on August 29, 1947 are carried on the books of the Authority at original cost to the Company as shown on its books as of that date. Additions subsequent to August 29, 1947, including the subways, tunnels and other facilities purchased from City of Boston August 3, 1949, are carried at cost to the Authority, the cost of subways, tunnels and facilities purchased from the City of Boston being measured by the amount of the bond issued therefor.

NOTE B—RESERVE FOR DEPRECIATION

In accordance with the provisions of Section 11 of Chapter 544 of the Acts of 1947 as amended by Section 4 of Chapter 572 of the Acts of 1949, no allowance for depreciation of passenger-carrying rolling stock of the Authority or for obsolescence and losses in respect to such rolling stock after August 2, 1949, is reflected in the accompanying financial statements of the Authority.

On the other hand, as provided by that section (Section 11 of Chapter 544), cost of the service, as reflected in the Statement of Income and the Cost of the Service, includes (1), all sums paid to the Boston Metropolitan District for the year ended December 31, 1957 in reduction or payment of the principal amount of bonds issued by the Authority under either Section 7A or Section 22, as well as (2) such allowance for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned as is contemplated by said Section 11.

The Reserve for Depreciation of Property, and for Obsolescence and Losses in respect to Property Sold, Destroyed or Abandoned, includes the aggregate of all debt retirement sums paid after August 2, 1949 under the provisions mentioned above, as well as allowance for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned, except with respect to passenger-carrying rolling stock after August 2, 1949. The balance (\$48,419,070.48) of this account at December 31, 1957 is substantially less than recent surveys have indicated may be required to cover normal depreciation and obsolescence that has accrued on the properties.

NOTE C—AMORTIZATION OF TUNNELS, SUBWAYS AND OTHER FACILITIES

The credits arising from the reimbursement to the Authority by the Commonwealth of Massachusetts for the principal payments made on bonds issued under paragraphs (c) and (j) of Section 8A of Chapter 544 of the Acts of 1947 as amended and Section 6 of Chapter 649 of the Acts of 1949 as amended (discussed in Note E) are considered to provide for amortization of Tunnels, Subways, and Other Facilities, and consequently no provision for depreciation thereof is included in the allowance made by the Trustees in the year 1957 for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned.

NOTE D—ADVANCE PAYMENT ACCOUNT OF ASSESSABLE DEFICIT

Section 13A of Chapter 544 of the Acts of 1947 which was inserted in said Chapter 544 by Chapter 409 of the Acts of 1954 provides that if during any calendar year the Trustees, in their opinion, have not sufficient cash to make the payments required in the course of their management and operation of the transportation system and other properties under their control, the Trustees may, from time to time during such year, certify to the State Treasurer an amount, which together with all amounts previously paid in such year to the Authority under this section, shall not exceed the amount by which the income of the Authority has failed to meet the cost of the service as estimated by the Trustees for that portion of such year which has expired up to the date of such certification; and that the Commonwealth shall thereupon pay over to the Authority the amount so certified; and that such payments shall be treated as payments on account of the deficiency as of the last day of said calendar year.

In September 1957, after certification by the Trustees, an advance payment was made to the Authority in the amount of \$6,000,000.

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NOTES TO FINANCIAL STATEMENTS

NOTE E—FUNDED DEBT

Section 7 of Chapter 544 of the Acts of 1947 as amended, provided that bonds of the Authority and bonds of the Boston Elevated Railway Company assumed by the Authority should be cancelled at their respective maturity dates, or prior thereto, to the extent that bonds of the Boston Metropolitan District issued to provide funds for the purchase thereof had been retired, or their retirement provided for, through interest payments made by the Company or by the Authority in excess of the amounts required to pay the interest on the District's bonds. At August 3, 1949, \$26,513,545.11 of such bonds of the District had been retired, or their retirement provided for.

Pursuant to refinancing provisions of Section 7A of Chapter 544 of the Acts of 1947 as amended, bonds of the Authority (other than bonds issued under Section 22 and Section 8A) and bonds of the Boston Elevated Railway Company assumed by the Authority, with an aggregate principal amount of \$97,931,917, were cancelled August 3, 1949 and a new bond for \$71,418,371.89 issued to the Boston Metropolitan District. The principal amount of this new bond was equal to the difference between the principal amount of the bonds cancelled and the \$26,513,545.11 referred to in the preceding paragraph. The new bond is payable in 142 installments of \$500,000, each, on December 1 and June 1. The first installment was paid on December 1, 1949, and the final installment, \$418,371.89, is payable on December 1, 2020 (see notes to Statement of Funded Debt attached). Interest is payable on the new bond in amounts equal to the interest on bonds of the Boston Metropolitan District which may be outstanding from time to time.

Payments in reduction of the principal of the new bond of the Authority issued under said Section 7A (\$1,000,000.) and in payment of bonds of the Authority issued under Section 22 of said Chapter 544 (\$1,143,000.) were included in the cost of the service for the year ended December 31, 1957 as provided in Section 11 of said Chapter 544.

On August 3, 1949, the Authority acquired the subways and other transit properties of the City of Boston under the provisions of Section 8A inserted in Chapter 544 of the Acts of 1947 by Chapter 572 of the Acts of 1949. Reference should be made to said Section 8A for the details of the transaction whereby the Authority on August 3, 1949 issued to the Boston Metropolitan District its bond for \$40,219,445.43 and its note (undertaking to make the payments required of the District on its note to the City) in exchange for District bonds payable to the City of Boston of a like principal amount and a note of the District by which the District undertook, among other things, to pay interest on the City's outstanding transit indebtedness to the extent that such interest exceeded the income of the City's sinking funds available to pay the same, which bonds and note of the District were delivered by the Authority to the City to effect the transfer to the Authority of title to the City's subway and transit properties.

In accordance with the provisions of paragraph (1) of Section 8A of Chapter 544 of the Acts of 1947 as amended and Section 7 of Chapter 649 of the Acts of 1949 as amended, the Commonwealth of Massachusetts is required to pay to the Authority on November 20 of each year after 1949 the amounts previously certified by the Trustees of the Authority as payable by the Authority during such year in reduction of the principal amount of its bonds issued under paragraphs (c) and (j) of Section 8A of said Chapter 544 and Section 6 of said Chapter 649 (for subways, tunnels and other facilities). The amount certified to the Treasurer by the Trustees of the Authority is assessed on the cities and towns constituting the Authority. On November 21, 1957, the Authority received from the Commonwealth of Massachusetts the amount of \$801,592.60 which had been certified by the Authority as payable during the year 1957.

In the Statement of Income and the Cost of the Service for the year ended December 31, 1957, the caption "Interest on Funded Debt" includes: (1) interest accrued during the year on the Authority's bonds issued under Sections 7A, 8A (j), and 22 of Chapter 544 and Section 6 of Chapter 649; and (2) payments actually made during the year to the City of Boston in accordance with the Authority's note to the District issued under Section 8A (c) of said Chapter 544.

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NOTES TO FINANCIAL STATEMENTS

NOTE F—RESERVE FOR INJURIES AND DAMAGES

The reserve for personal injury and property damage claims and suits was discontinued at December 31, 1957 and the balance in the account transferred to profit and loss. Accordingly, there is no liability reflected in the accounts for pending claims and suits.

NOTE G—COMMITMENTS

At December 31, 1957 the Authority had outstanding firm commitments totalling approximately \$4,168,000, for other additions and improvements to the road and equipment properties and for the purchase of and spare equipment for rapid transit cars.

Of this amount, approximately \$4,088,000, will be paid from special deposits established from bond issues under Section 22 of Chapter 544 of the Acts of 1947, as amended.